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Secretary of Transportation

Commonwealth of Kentucky
Transportation Cabinet
Frankfort, Kentucky 40622
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Ernie Fletcher
Governor

TO: Recipients of the Kentucky Transportation Cabinet's
Recommended FY 2005-2010 Six-Year Highway Plan

In conformance with KRS 176, the information provided herein is presented by Governor Fletcher as a supplement to the Executive Branch Biennial Budget. The Recommended FY 2005-2010 Six-Year Highway Plan presents anticipated annual funding and existing cash drawdowns against estimated project costs. Actual revenue assumptions and future revenue projections are included in this document. The \$1.5 billion in funding for highway improvements contained in the biennial (2005-2006) element is in addition to the \$680 million the Kentucky Transportation Cabinet expects to spend over the biennium for routine maintenance of the existing state road system. Under Governor Fletcher's leadership, this Six-Year Highway Plan update begins the process by which Kentucky's highway program will adhere to its budget and regain the public's trust and confidence.

A safe and reliable transportation system is vital to Kentucky's future economic growth, national competitiveness, and overall quality of life. A recent study reveals that 32 percent of Kentucky's interstate highway pavements and 45 percent of parkway pavements are in poor condition and in need of repair. Driving on roads in need of these repairs costs Kentucky motorists hundreds of millions of dollars annually in extra vehicle repairs and operating costs. Accordingly, a primary focus of the 2004 Six-Year Highway Plan update is pavement repair on major routes across Kentucky.

It is also critical to all Kentuckians that the roadways that serve as the lifeline for our communities are safe. This edition of the Six-Year Highway Plan focuses on replacing deficient bridges where weight limitations or narrow bridge widths cause concern for those who use these structures. In addition to building safer bridges, this Six-Year Highway Plan will address numerous spot locations where car crashes are a recurring problem. As the Hazard Elimination Programs are implemented, the potential for fatal crashes should be correspondingly reduced across the state.

While this Six-Year Highway Plan will concentrate on pavement repairs and safety improvements, it will also strive to reduce the traffic congestion problems that occur in many of Kentucky's urban and metropolitan areas. Traffic stagnation severely restricts the ability of our highway system to move people and freight efficiently. The major widening and roadway reconstruction projects included in this plan are essential to our future economic vitality. Funding limitations do not permit us to pursue all of the needs Kentucky has in this regard, but the Transportation Cabinet will maximize the investment that can be made to ensure that as many traffic bottlenecks as possible can be addressed.

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The state-funded "SP" projects in the Six-Year Highway Plan do not match expected state fund revenues for FY 2005-2010. The "SP" projects in this edition of the Plan carry all previously enacted projects forward as the "SP priorities of record" to manage future revenues against. With regard to federally-funded projects, this edition of the Six-Year Highway Plan is fiscally balanced under the assumption that Congress will fund S.1072, the more conservative of the reauthorization bills currently being considered.

Kentucky must undertake new initiatives, where feasible, to enhance our transportation system. To this end, Appendices A and B address two major issues that the Transportation Cabinet is involved with at this time. Appendix A contains a discussion on "GARVEE" bonds and the potential for using future federal revenues to leverage the widening of portions of I-64, I-65, and I-75 in Kentucky. Application of this concept is dependent upon legislative action to enable the Cabinet to pursue this course, and adjustments to the Six-Year Highway Plan would be required to incorporate the opportunity for GARVEEs if such action is allowed in the upcoming biennium. Appendix B provides a discussion about "Mega-Projects" that are on the long-range horizon for our state, and outlines the current status of the Louisville Bridges Project, the I-71/75 Brent Spence Bridge in northern Kentucky, I-66 through southern and western Kentucky, and I-69 through far western Kentucky.

Certainly, reductions in state fund appropriations or significant shortfalls in federal transportation program funding will result in a corresponding reduction in the Cabinet's ability to deliver all Biennial Highway Plan projects on schedule. Governor Fletcher is working to ensure that our approach to the FY 2005-2010 Six-Year Highway Plan is fiscally responsible and that a good-faith effort has been made to evaluate and prioritize the commitments made in past Plans. We are confident that the efforts of the Fletcher Administration will yield a solid highway program, undergirded by sound funding projections and systematic, fact-based transportation decision-making. We are truly excited about the future of transportation in Kentucky.

Sincerely,



Maxwell C. Bailey
Secretary

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